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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

I. The Public Interest Would Be Well
Served By the Allocation of
Spectrum for this New Service

As Video/Phone explained in its initial comments, the public interest would be well served by the Commission taking the action it proposed in the Notice. Many highly productive uses will be made of frequencies that are now lying fallow, including the provision of "wireless cable" services competitive with those provided by traditional wireline coaxial cable companies and traditional wireline copper telephone service, and low cost alternative local access circuits for the distribution of high- and low-speed data traffic and video applications. Most importantly, Video/Phone believes the allocation of spectrum as proposed in the Notice will make possible the full development of other new, two-way broadband applications, such as distance learning, telemedicine, high quality two-way videoconferencing at DS-1 or higher rates, business and professional television, data base services, and metropolitan area LAN interconnection.

As a result, LMDS will provide significant benefits to the U.S. economy in three areas: enhanced productivity; increased employment; and export earnings. The specific business applications envisaged by Video/Phone that were described in greater detail in its petition for rulemaking and its initial comments in this proceeding will clearly enhance both private sector and public sector productivity. Moreover, since LMDS enjoys significant cost advantages over optical fiber in situations which do not offer a high concentration of demand, it will greatly speed the provision of on-demand broadband